Previous references.

1915.
(G.F.)

File No. 2-15

Serial Nos. 1

Later references.

Legis 1-8-15

GENERAL AND REVENUE SECRETARIAT.

Serial Nos.

Part B. for July 1915

SUBJECT

Discussion of Budget in the Legislative council

Sl. 1. To
The Secretary
Legislative Council and members of
the Legislative council
No. Fl: 158-70 dt 10th July 1915
Provides for the discussion in Committee
of the budget informally before
formal discussion.

G. R. S. 58

GPB—4,000—4-7-11

M. Panthers and his wife
9-12-1915.

G.R.S. 11] 1915.

GENERAL AND REVENUE SECRETARIAT.

(S.F.)

NOTES.

File No. 2-15

FILE HEADING.

Secret discussion in the Legislative Council

From :

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS

NOTES—First Sheet.

P. J.O

GPE—35,000—15-6-12

D.O. No. 112

Camp, Mysore,

1st July 1915.

My dear Sir,

As personally desired by you at an interview this morning I submit herewith a draft of an order to be issued by me as Financial Secretary to the members of the Legislative Council about the procedure to be observed as regards the discussion of the budget in the Legislative Council at the next meeting and in subsequent years. A brief memorandum explaining the salient features in the budget for 1915-16 has also been prepared and is proposed to be forwarded to the members with that order. I request that the draft order and the memorandum may be returned to me for issue at a very early date with such alterations as may be deemed desirable.

Yours sincerely,

J. Chakravarti

Sir M. Visvesvaraya, B.A., L.C.E., M.INST.C.E., K.C.I.E.,
Dewan of Mysore.

REPLY.

(*To be written on this margin.*)

Office of the Dewan of Mysore.

NOTE.

Dated 1st July *1915*.

I had an interview with Mr. J.S. Chakravarti to-day in connection with the Budget for 1915-1916. Mr. Chakravarti has agreed to prepare and send up a memorandum with the Budget for approval and issue. He has also consented to arrange for an informal discussion with the Members of Council on the next Budget discussion day.

2. The informal discussion may take place as soon as the Legislative Council meets on the 24th instant.

3. P.S.D. will kindly show this note to the Secretary and also send up at the meeting of Council tomorrow so that I may communicate the arrangements to the Members of Council.

1.7.15

P.S.D.

For today's Council meeting.

Note on Budget discussion

In presenting the preliminary budget to the Legislative Council at the last meeting, the Financial Secretary did not prepare a separate memorandum explaining the views of Government to issue as from Government though such a procedure had been specifically prescribed. He was therefore requested to prepare such a memorandum and the same has now been received. The memorandum might perhaps have been a little fuller than it is now. This is for consideration in Council.

2. The rules for the discussion of the State Budget in the Legislative Council do not provide for an informal discussion in Committee prior to the formal discussion. It is now proposed to arrange for such a preliminary and confidential meeting when any information which non-official members may ask for may be furnished as far as possible in order that the members may correctly understand the financial situation. In this view the Financial Secretary has prepared a draft Government Order which may be approved.

SL

2/7/15.

Extract from the Proceedings of the Council at the 353rd meeting held at Mysore on Friday the 2nd July 1915.

11. SUBJECT. - (Clause viii of the Schedule).

Explanatory memorandum in regard to the budget for 1915-16 and further rules regarding the discussion of budget.

OPINION OF THE COUNCIL.

The draft memorandum and the Government order may be approved.

Sd. M.Visvesvaraya,
Dewan of Mysore.

"Extract"

For Offg.Secretary to Govt.

Submitted to His Highness.

The existing rules for the discussion of the State Budget in the Legislative Council do not provide for an informal discussion in Committee prior to the formal discussion. It is now proposed to arrange for such a preliminary and confidential meeting when any information which non-official members may want may be furnished as far as possible in order that the Members may correctly understand the financial situation. In this view, the Financial Secretary has prepared a draft Government Order, which has also been approved in Council.

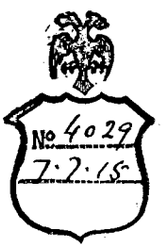
× Flag A
× Page 3 of the office note.

2. I solicit His Highness's approval to the Government Order.

M. Visvanatha
7.2.1915

6

Record of Cases submitted for the Orders of His Highness the Maharaja



Subject.

Draft G.O. laying down a modific procedure so as to provide for an inform al discussion of the State Budget in the Legislative Council, prior to the formal discussion.

Order.

~~KRW~~

8/7/15

8/7/15

G.R.S. 26]

File No.

Serial No.

Diary No. of letter replied to

General and Revenue Secretariat

( )

19 .

10-7-15

Signed by W S Narasimhan

No. H 175

To

The Supt

Govt Printing, Bangalore

Sir,

I am directed to request that the accompanying Govt Order and the Memorandum regarding informal discussion of the State Budget in the Legislative Council prior to formal discussion may be put in type at once and 500 copies of the G.O. and 100 copies of the Memorandum may be kindly supplied to this Office before Monday the 12th inst.

I have the &c.,

for Secy to Govt

10/7/15

over.

SUBJECT.

Q

Proceedings of the Government of His Highness the Maharaja of

Mysore.

*****

× Flag N
Copy enclosed

Read:- Notification No. J 2291--Legis. 20-13-1 d/- 12-2-14 framing certain rules for the discussion of the budget in the Legislative Council.

Flag V
× Copy enclosed

Read also:- G.C. No. FL. 5703-27/ G.F. 154-13-2 d/- 1-6-14 ~~laying down~~ prescribing the rules of procedure for the discussion of the State Budget in the Legislative Council.

****

Order No. 36/58-70 dated 10 July/15
G.J.2-15-1

%%%%%%%%%%%%%%%%%%%%%%%%%%%%

The Government of His Highness the Maharaja of Mysore are pleased to direct that the following procedure be observed ~~as regards~~ for the discussion of the budget in the Legislative Council at the ~~first~~ meeting to be held in July 1915 and in subsequent years.

~~*******************~~ Mr Leg Council

I. Previous to the formal ~~council~~ meeting for the discussion of the budget a ~~committee~~ meeting in Committee of the whole Legislative council will be held. At this meeting discussion will be free and informal and the restictions laid down in the ~~memorandum~~ papers above read in the preamble will not apply. Additional information asked for by members will be supplied at this meeting as far as practicable, if notice is given to the Financial Secretary at least one week before the meeting. The proceedings of this meeting will not be open to the press and to visitors. In the current year this meeting will be held at 12 noon on ~~Friday, the 23rd July 1915,~~ Monday the 26th July 1915 in the Public Offices at Bangalore.

II. The formal meeting of the Council to discuss the budget will be held at 12 noon on ~~Saturday the 24th July 1915.~~ Tuesday the 27th July 1915 At

10

At this meeting views and suggestions which members may wish to put forward in respect of the budget in the light of previous explanations will be discussed. The rules laid down in the preamble (papers read in the) will be strictly observed at this meeting and it (which) will be open to the press and visitors.

Flag W

III. A memorandum explaining the salient points of the budget is forwarded herewith for the information of members.

2.7.1915

Financial Secretary.

To

The Secretary, Mysore Legislative Council,

All the members of the Legislative Council,

Brief Memorandum explaining the salient features in the budget for 1915-16.

****

(Unless otherwise expressed figures are to be understood as meaning thousands of rupees).

%%%%%%%%%%%%%%%%%%%%%%%%%%

1. The Budget and the Revised Estimates for 1914-15 stand as follows:-

	Budget	Revised Estimates
Revenue and Receipts	285,09	278,14
Service heads expenditure	263,46	306,15
Surplus	21,63	Deficit 28,01
Extraordinary Capital Works	95,17	86,96
Net outgoings	73,54	114,97

The situation, is, therefore, less favourable than the budget to the extent of 41,43.

2. The ~~principal event~~ circumstances which contributed to this result ~~was the payment of His Highness's contribution of 50 lakhs to the Imperial War Fund and of 2 lakhs to the Indian Imperial Relief Fund. There have been other variations both on the Revenue and Expenditure sides, the net result of which is an improvement of 10,57 as per analysis of figures given below:-~~ are analysed below.

	Budget	Revised	Variation. Better+	Worse-
Revenue	285,09	278,14		6,95
Ordinary Service expenditure omitting War and Imperial Indian Relief Fund Contributions	263,46	254,15	9,31	
Capital works	95,17	86,96	8,21	
Net surplus(+) or Deficit (-)	-73,54	-62,97	17,52	6,95
			+10,57	

Contributions to War & relief funds 52

Net result — 41,43.

3. The fall of 6,95 on the Revenue side appears chiefly under the following heads:-

Land Revenue	Rs. 3,40	Owing to unfavourable seasonal conditions
Forest	10,98	No market for sandalwood on account of the war
Surplus Revenue of Bangalore Assigned Tracts	4,20	Amount due upto 1910-11 only was paid as the amount due for subsequent period has not been settled yet
Railways	2,13	Unfavourable agricultural and trad conditions

4. The important items which showed an increse to counterbalance the fall referred to in the foregoing paragraph are :-

Excise	Rs. 9,00	Improvement in Arrack, Toddy and Ganja under tax and license fees due chiefly to keen competition at the Excise sales
Mining Revenue	1,70	As royalty is paid on gold delivered at the Bombay mint under the new financial arrangements on account of the war, more than 12 months' revenue will be realised this year
Interest	2,04	Interest on some of the securities for the 2nd half of 1913-14 received during 1914-15.

5. The improvement of 9,31 in the ordinary service expendit

expenditure is explained by the following fluctuations which ar the most important of several items contributing to this result.

Salaries and expenses of Civil Departments	Rs. ~~4,70~~ 4,63	Due principally to a large of about 2 lakhs under ed and to small savings unde Departments
Public Works	4,73	Lapses under Irrigation an Civil Works, chiefly due the time required for get projects and estimates re and to shortage of labour

6. The saving of 8,21 under Capital Works was under all the heads except Cauvery Power Scheme, IV Installation, under which an excess of 4,33 ~~unanticipated~~. Owing to the substitution the system of land instead of cash compensation, a saving of abo 5,00 will occur under Cauvery Reservoir and Allied Works. As t preliminaries in connection with the Bangalore-Hosur line are n yet settled, the grant for the construction of this railway lapses but a portion of this lapse is utilised for the Mysore Aresikere Railway which is progressing rapidly. Almost the entire grant fo Bangalore Electric Tramways remains unused as the scheme could not b yet fully matured for various reasons during the last year.

7. Budget, 1915-16.

The budget, framed on the supposition that normal conditions will prevail in respect of agriculture, stands as shown below. For facility of comparison the figures of the Revised Estimates for 1914-15 are also shown side by side.

	Budget 1915-16	Revised 1914-15		Budget 1915-16	Revised 1914-15
Revenue and receipts	274,02	278,14	Ordinary service expenditure	273,70	254,15
			War Fund Subscription		50,00
			Imperial Indian Relief Fund Subscription		2,00
Deficit ...		28,01	Surplus	0,32	...
			Special Capital Works	66,35	86,96
Net Deficit	66,03	114,97	Net Surplus	,,,	

Revenue.

8. The Revenue for 1915-16 is based on the collections that may be expected in a normal year under almost all the heads except Fores and Railways.

The important variations would appear from the following comparative tabular statement:-

	Revised 1914-15	Budget 1915-16	Remarks.
Land Revenue	103,00	106,25	Normal figure taken for budget. Revised less on account of unfavourable seasonal conditions
Excise	55,00	50,00	Budget figure calculated on the previous 2 years' actuals. Revised is extraordinarily high due partly to temporary causes.
Mining revenue	20,70	18,96	Budget figure based on the expectation of normal conditions of work and normal output in the mines- Revised more on account of ~~deliveries~~ special arrangements as regards payt. of royalty.

	Revised 1914-15	Budget 1915-16	Remarks.
Surplus revenue Bangalore Assigned tract	9,23	8,00	Provision is made for the amount expected to be realised on account of surplus for the years subsequent to 1910-11
Interest	15,98	9,62	Revised includes portion of interest for 2nd half of previous year. Budget is for actual demand less interest on securities intended to be sold to recoup depleted cash balance.
Cauvery Power scheme	17,58	25,00	Budget takes into account the additional revenue expected from the IV Installation.

9. Expenditure.

Leaving out of account the payment of 52 lakhs on account of the War Fund and Imperial Indian Relief Fund Contributions in the column for revised, the grant in 1915-16 for the ordinary service expenditure programme is 19,55 more than the revised estimate . The important variations are detailed below:-

	Revised 1914-15	Budget 1915-16	Remarks.
Interst	4,34	8,37	Provision is made fn 1915-16 for interest on temporary loans that may have to be raised during the year to carry on the programme of Capital Works
Salaries and Expenses of Civil Departments	65,06	73,33	Larger expenditure under Education, Agriculture, Administration, Courts of Law, Sanitation and Vaccination. The grant of 1914-15 which lapsed in the Agriculture and Industries Departments have also been provided.

	Revised Budget 1914-15	1915-16	Remarks.
Army excluding War Contribution	14,05	15,91	Increase is chiefly under the heads Imperial Service Regiment and Barr or Native Infantry. The rise in the former case is on account of increased pay to Officers and men and other incidental charges owing to field service that fall on the State. In the latter case, it is due to a thorough reorganization of the scale of pay to Officers and men alike
Public Works	30,32	31,22	On account of some special works taken up urgently for execution, a larger grant has been allowed
Cauvery Power Scheme Capital Outlay	1,27	2,31	Extension of interior power and lighting and construction of hospital and block of cooly lines and Office quarters at Sivasamudram.

10. A sum of 18,30 is provided for special grants and for establishment maintained on a temporary footing as indicated below:-

Bangalore City Improvement	1,00
Grant to Mysore City Improvement Fund	3,26
Economic Conference	2,49
Grant-in-aid to Local Funds for Village Improvements	2,00
Grant-in-aid for wells in villages	1,00
Malnad Improvement grant	1,00
Grant for Village School Buildings	1,00
Other Special grants for Education and Agriculture	2,50
Special addition to Public Works grant	2,00.
Improvement of water-supply in towns	50
Town Planning operations	25
Field Service charges in the Military Department	1,30
Total	18,30

17

11. Special Capital grants.

The grants included in the budget for Special Capital Works depend on the progress of the several works so far, the quantity of work that the department expects to execute during the year and other considerations. The grants for Capital outlay not charged to revenue in the budget for 1915-16 aggregate to 66,35 against 86,96 in the revised estimate as detailed below:-

	Revised estimate 1914-15	Budget 1915-16
Cauvery Reservoir and Allied Works	32,50	25,00
Capital outlay on State Railways and Steam Tramways	35,04	26,35
Subsidized or Aided Railways	9,38	7,00
Bangalore Electric Tramways	4	6,00
Cauvery Power Scheme IV Installation	10,00	2,00
Total	86,96	66,35

12. Ways and Means.

The estimated opening cash balance on 1-7-15 is Rs. 56,99 and the closing balance that would be left on 1-7-1916 in ordinary course -6,98. As the normal balance for working the treasuries on the 1st of July is 75 lakhs, it will be necessary to resort to temporary borrowing to the extent of about 80 lakhs. The State holds first class securities in the Surplus investment account of the value of about 240 lakhs and in ordinary times the amount required would have been found by the sale of securities. But as the condition of the money market is not quite normal, arrangements have been made to raise money on the security of our investments.

Ways and Means.

/2. The Ways and Means arrangements for the ensuing year will be as shown below:---

Estimated opening cash balance on 1st July 1915	56,99
Net result under Service heads. ...	32
Net result under Debt heads (excluding transactions under Surplus Investment account). ...	2,06
Capital outlay not charged to Revenue. ...	--66,35
Closing balance that would be left on 1st July 1916 in ordinary course. ...	--6,98

As it is necessary to have a cash balance of at least 75 lakhs at the beginning of a year for ordinary purposes of administration, it is clear that a sum of 81,98 will have to be realised from our invested funds during the course of the year. The exact way in which this operation will be done will depend on the state of the money market at the time when funds will be needed and cannot for obvious reasons be profitably discussed now.

/3. The cash assets and liabilities of the State on 1st July 1915 are approximately worked out in an appendix attached to the Financial Statement. From this it will be seen that the net Government balance on that date will be about 119,46 so that even after allowing for a decrease of 66,03 during the ensuing year we shall have assets amounting to 53,43 after covering all our liabilities in full.

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS.

G. O. No. Fl. 158-70—G. F. 2-15-1, dated 10th July 1915

~~Budget~~ Discussions.

~~Prescribes~~ the ~~procedure~~ to be observed for — in the Legislative Council.

~~GPB~~—12-7-15—100

No. Fl. 158-70—G. F. 2-15-1, dated 10th July 1915.

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

GENERAL AND REVENUE DEPARTMENTS.

Read—

Notification No. J. 2291—Legis. 20-13-1, dated 12th February 1914, framing certain rules for the discussion of the budget in the Legislative Council.

Read also—

Government Order No. Fl. 5703-27—G. F. 154-13-2, dated 1st June 1914, prescribing the rules of procedure for the discussion of the State Budget in the Legislative Council.

Order No. Fl. 158-70—G. F. 2-15-1, dated 10th July 1915.

The Government of His Highness the Maharaja of Mysore are pleased to direct that the following procedure be observed for the discussion of the budget in the Legislative Council at the meeting to be held in July 1915 and in subsequent years.

I. Previous to the formal meeting of the Legislative Council for the discussion of the budget a meeting in Committee of the whole Legislative Council will be held. At this meeting discussion will be free and informal and the restrictions laid down in the papers read in the preamble will not apply. Additional information asked for by members will be supplied at this meeting as far as practicable, if notice is given to the Financial Secretary at least one week before the meeting. The proceedings of this meeting will not be open to the press and to visitors. In the current year this meeting will be held at 12 noon on Monday the 26th July 1915, in the Public Offices at Bangalore.

II. The formal meeting of the Council to discuss the budget will be held at 12 noon on Tuesday the 27th July 1915. At this meeting views and suggestions which members may wish to put forward in respect of the budget in the light of previous explanations will be discussed. The rules laid down in the papers read in the preamble will be strictly observed at this meeting which will be open to the press and visitors.

III. A memorandum explaining the salient points of the budget is forwarded herewith for the information of members.

J. S. CHAKRAVARTI,
Financial Secretary to Government.

To—The Secretary, Mysore Legislative Council.
All the Members of the Legislative Council.

Exd.—C. R.

No. Fl. 158-70—G. F. 2-15-1, DATED 10TH JULY 1915.

BRIEF MEMORANDUM EXPLAINING THE SALIENT FEATURES IN THE BUDGET FOR 1915-16.

(Unless otherwise expressed figures are to be understood as meaning thousands of rupees.)

1. The budget and the revised estimates for 1914-15 stand as follows :—

	Budget Rs.	Revised Estimate Rs.
Revenue and receipts ...	285,09	278,14
Service heads expenditure ...	263,46	306,15
Surplus ...	+21,63	Deficit—28,01
Extraordinary capital works ...	95,17	86,96
Net Outgoings ...	73,54	114,97

The situation is, therefore, less favourable than the budget to the extent of 41,43.

2. The circumstances which contributed to this result are analysed below :—

	Budget	Revised	Variation	
			Better+	Worse−
Revenue	285,09	278,14	...	−6,95
Ordinary service expenditure omitting War and Imperial Indian Relief Fund contributions	263,46	254,15	+9,31	...
Capital works	95,17	86,96	+8,21	...
Net Surplus (+) ...	−73,54	−62,97	+17,52	−6,95
or Deficit (—) ...	...	...	+10,57	
Contributions to the War and Relief Funds	...	...	−52,00	
Net result	...	...	−41,43	

3. The fall of 6,95 on the Revenue side appears chiefly under the following heads :—

	Rs.	
Land Revenue	3,40	Owing to unfavourable seasonal conditions.
Forest	10,98	No market for sandalwood on account of the war.
Surplus Revenue of Bangalore Assigned Tract	4,20	Amount due up to 1910-11 only was paid as the amount due for subsequent period has not been settled yet.
Railways	2,13	Unfavourable agricultural and trade conditions.

4. The important items which showed an increase to counter-balance the fall referred to in the foregoing paragraph are :—

	Rs.	
Excise	9,00	Improvement in Arrack, Toddy and Ganja under tax and license fees due cheifly to keen competition at the Excise sales.
Mining Revenue	1,70	As royalty is paid on gold delivered at the Bombay mint under the new financial arrangements on account of the war, more than 12 months' revenue will be realised this year.
Interest	2,04	Interest on some of the securities for the 2nd half of 1913-14 received during 1914-15.

5. The improvement of 9,31 in the ordinary service expenditure is explained by the following fluctuations which are the most important of several items contributing to this result :—

	Rs.	
Salaries and expenses of Civil Departments.	4,63	Due principally to a large lapse of about two lakhs under Education and to small savings under other Departments.
Public Works	4,73	Lapses under Irrigation and Civil Works, chiefly due to the time required for getting projects and estimates ready and to shortage of labour.

6. The saving of 8,21 under Capital Works was distributed over all the heads, except Cauvery Power Scheme, IV Installation, under which there is an excess of 4,33. Owing to the substitution of the system of land instead of cash compensation, a saving of about 5,00 will occur under Cauvery Reservoir and Allied Works. As the preliminaries in connection with the Bangalore-Hosur line are not yet settled, the grant for the construction of this railway lapses; but a portion of this lapse is utilised for the Mysore-Arsikere Railway which is progressing rapidly. Almost the entire grant for Bangalore Electric Tramways remains unused as the scheme could not be fully matured for various reasons during the last year.

BUDGET, 1915-16.

7. The budget, framed on the supposition that normal conditions will prevail in respect of agriculture, stands as shown below. For facility of comparison the figures of the Revised Estimates for 1914-15 are also shown side by side.

	Budget, 1915-16	Revised, 1914-15		Budget, 1915-16	Revised, 1914-15
	Rs.	Rs.		Rs.	Rs.
Revenue and receipts	274,02	278,14	Ordinary service expenditure.	273,70	254,15
			War Fund subscription ...		50,00
			Imperial Indian Relief Fund subscription.		2,00
Deficit	...	28,01	Surplus	0,32	...
			Special capital works ...	66,35	86,96
Net Deficit ...	66,03	114,97	Net Surplus	...	...

REVENUE.

8. The Revenue for 1915-16 is based on the collections that may be expected in a normal year under almost all the heads, except Forest and Railways.

The important variations would appear from the following comparative tabular statement :—

	Revised, 1914-15	Budget, 1915-16	Remarks
	Rs.	Rs.	
Land Revenue ...	103,00	106,25	Normal figure taken for budget. Revised less on account of unfavourable seasonal conditions.
Excise	55,00	50,00	Budget figure calculated on the previous two years' actuals. Revised is extraordinarily high due partly to temporary causes.
Mining Revenue ...	20,70	18,96	Budget figure based on the expectation of normal conditions of work and normal output in the mines. Revised more on account of special arrangements as regards payment of royalty.
Surplus Revenue, Bangalore Assigned Tract ...	9,23	8,00	Provision is made for the amount expected to be realised on account of surplus for the years subsequent to 1910-11.
Interest ...	15,98	9,62	Revised includes portion of interest for 2nd half of previous year. Budget is for actual demand less interest on securities intended to be sold to recoup depleted cash balance.
Cauvery Power Scheme ...	17,58	25,00	Budget takes into account the additional revenue expected from the IV Installation.

No. Fl. 158-70—G. F. 2-15-1, dated 10th July 1915.

EXPENDITURE.

9. Leaving out of account the payment of 52 lakhs on account of the War Fund and Imperial Indian Relief Fund Contributions in the column for revised, the grant in 1915-16 for the ordinary service expenditure programme is 19,55 more than the revised estimate. The important variations are detailed below :—

	Revised, 1914-15	Budget, 1915-16	Remarks
	Rs.	Rs.	
Interest ...	4,34	8,37	Provision is made in 1915-16 for interest on temporary loans that may have to be raised during the year to carry on the programme of capital works.
Salaries and expenses of Civil Departments ...	65,06	73,33	Larger expenditure under Education, Agriculture, Administration, Courts of Law, Sanitation and Vaccination. The grants of 1914-15 which lapsed in the Agriculture and Industries Departments have been reprovided.
Army excluding war contribution.	14,05	15,91	Increase is chiefly under the heads Imperial Service Regiment and Barr or Native Infantry. The rise in the former case is on account of increased pay to officers and men and other incidental charges owing to field service that fall on the State. In the latter case, it is due to a thorough reorganization of the scales of pay to officers and men alike.
Public Works ...	30,32	31,22	On account of some special works taken up urgently for execution, a larger grant has been allowed.
Cauvery Power Scheme Capital Outlay.	1,27	2,31	Extension of interior power and lighting and construction of hospital and block of cooly lines and office quarters at Sivasamudram.

10. A sum of 18,30 is provided for special grants and for establishment maintained on a temporary footing as indicated below :—

	Rs.
Bangalore City Improvement	1,00
Grant to Mysore City Improvement Fund	3,26
Economic Conference	2,49
Grant-in-aid to Local Funds for village improvements ...	2,00
Grant-in-aid for wells in villages	1,00
Malnad improvement grant	1,00
Grant for village school buildings	1,00
Other special grants for Education and Agriculture	2,50
Special addition to Public Works grant	2,00
Improvement of water-supply in towns	50
Town planning operations	25
Field Service charges in the Military Department	1,30
Total ...	18,30

SPECIAL CAPITAL GRANTS.

11. The grants included in the budget for Special Capital Works depend on the progress of the several works so far, the quantity of work that the department expects to execute during the year and other considerations. The grants for capital outlay not charged to revenue in the budget for 1915-16 aggregate 66,35 against 86,96 in the revised estimate as detailed below :—

	Revised estimate, 1914-15	Budget, 1915-16
	Rs.	Rs.
Cauvery Reservoir and Allied Works	32,50	25,00
Capital outlay on State Railways and Steam Tramways	35,04	26,35
Subsidized or Aided Railways	9,38	7,00
Bangalore Electric Tramways	4	6,00
Cauvery Power Scheme IV Installation	10,00	2,00
Total ...	86,96	66,35

No. Fl. 158-70—G. F. 2-15-1, dated 10th July 1915.

WAYS AND MEANS.

12. The Ways and Means arrangements for the ensuing year will be as shown below:—

	Rs.
Estimated opening cash balance on 1st July 1915	56,99
Net result under service heads	32
Net result under debt heads (excluding transactions under Surplus Investment account)	2,06
Capital outlay not charged to Revenue	—66,35
Closing balance that would be left on 1st July 1916 in ordinary course	—6,98

As it is necessary to have a cash balance of at least 75 lakhs at the beginning of a year for ordinary purposes of administration, it is clear that a sum of Rs. 81,98 will have to be realised from our invested funds during the course of the year. The exact way in which this operation will be done will depend on the state of the money market at the time when funds will be needed and cannot for obvious reasons be profitably discussed now.

13. The cash assets and liabilities of the State on 1st July 1915 are approximately worked out in an appendix attached to the Financial statement. From this it will be seen that the net Government balance on that date will be about 119,46 so that even after allowing for a decrease of 66,03 during the ensuing year we shall have assets amounting to 53,43 after covering all our liabilities in full.